

BK 1593 PG 0624

This instrument prepared by
BANCORPSOUTH LOAN OPS.
PO BOX 4360
TUPELO, MS 38803-4360

MAXIMUM PRINCIPAL INDEBTEDNESS FOR
TENNESSEE RECORDING TAX
PURPOSES IS \$333,680.00

CONSTRUCTION LOAN DEED OF TRUST

THIS DEED OF TRUST is made this 29TH day of OCTOBER, 2002 among the Grantor(s),
ROY R HOLMES CONSTRUCTION CO. INC (herein "Borrower(s)"),
LARRY A. BUTLER (herein "Trustee") whose address is
P.O. BOX 2004, JACKSON, TN, 38302, and the Beneficiary,
BANCORPSOUTH BANK, a branch division (or "branch") of BancorpSouth Bank, a Mississippi
banking corporation with principal offices in Tupelo, Mississippi, with branch or division address of
PO BOX 4360 TUPELO, MS 38803-4360 (herein "Lender").

Borrower, in consideration of the indebtedness herein recited and the trust herein created, irrevocably grants and
conveys to Trustee, in trust, with power of sale, the following described property located in the county of _____
DESOTO State of Tennessee:

See Exhibit A annexed hereto and made a part hereof as if copied herein verbatim.

STATE MS.-DESOTO CO.

OCT 31 4 18 PM '02

BK 1593 PG 624
W.E. DAVID CH. CLK.

THIS IS A CONSTRUCTION MORTGAGE AS DEFINED IN TCA §47-9-313 AND CONSTITUTES A
FIXTURE FILING WITHIN THE MEANING OF TCA §47-9-402. THIS TRUST DEED SECURES
OBLIGATORY ADVANCES AND IS FOR COMMERCIAL PURPOSES.

Which has the address of GETWELL ROAD NORTH OF GOODMAN ROAD, (SECTION B, SUMMIT PARK S/D), SOUTHAVEN, DESOTO COUNTY, TN 38

Together with a grant to Lender of a security interest in all materials, equipment, and goods to be incorporated into
the buildings or other structures to be placed upon the property.

Together with all the improvements now or hereafter erected on the property, all easements, rights,
appurtenances, rents (subject however to the rights and authorities given herein to Lender to collect and apply
such rents), royalties, mineral, oil and gas rights and profits, water, water rights, water stock, and all fixtures
now or hereafter attached to the property, all of which, including replacements and additions thereto, shall be
deemed to be an integral part of the property covered by this DEED of TRUST; and all the foregoing, together
with the said property (or the leasehold estate if this DEED of TRUST is on a leasehold) are herein referred to as
the "Property."

But this conveyance is made in TRUST for the following uses and trusts, and no other purposes, to-wit:

The payment of an indebtedness evidenced by a promissory note (or guaranty of a promissory note)
executed by the Grantor to Lender on OCTOBER 29, 2002 in the principal sum of
THREE HUNDRED THIRTY THREE THOUSAND
SIX HUNDRED EIGHTY DOLLARS AND 00 CENTS
\$ 333,680.00, with interest thereon including all renewals, extensions or modifications thereof.

To secure to Lender (A) the repayment of the indebtedness described above or evidenced by the Note or
obligation described above (herein "Note"), which, if not sooner paid, is due and payable on OCTOBER 29, 2003;
the payment of all other sums, with interest thereon, advanced in accordance herewith to protect the security of
this DEED of TRUST; and the performance of the covenants and the agreements of the Borrower herein
contained; (B) the repayment of any future advances, with interest thereon, pursuant to Paragraph 11 hereof
(herein "Future Advances") and (C) any other indebtedness which Borrower may now or hereafter owe to Lender
as provided pursuant to Paragraph 16 hereof (herein "Other Indebtedness"). This conveyance is made in trust to
secure the payment of said Note, principal and interest, and any extensions, modifications or renewals thereof and
all attorney's fees, court costs and expenses of whatever kind, incurred in the collection of said indebtedness and
the enforcement and protection of the lien of this conveyance.

Borrower covenants that Borrower is lawfully seized of the estate hereby conveyed and has the right to grant and
convey Property, that Borrower will warrant and defend generally the title to the Property against all claims and
demands, and that Property is unencumbered.

Borrower and Lender covenant and agree as follows:

1. Payment of Principal and Interest. Borrower shall promptly pay when due the principal of and interest on the indebtedness evidenced by the Note, prepayment and late charges as provided in the Note, and the principal of and interest on any future advances secured by this DEED of TRUST. Lender may apply any sums received in any order at Lender's sole discretion.

2. Charges; Liens. Borrower shall pay all taxes, assessments and other charges, fines and impositions attributable to the Property which may attain priority over this DEED of TRUST, and leasehold payments or ground rents, if any, by making payment, when due, directly to the payee thereof. Borrower shall promptly furnish to Lender all notices of amounts due under this paragraph, and Borrower shall promptly furnish to Lender the receipts evidencing such payments. Borrower shall promptly discharge any lien which has priority over this DEED of TRUST.

3. Hazard Insurance. Borrower shall keep the improvements now existing or hereafter erected on the property insured against loss by fire, hazards included within the term "extended coverage," and such other hazards as Lender may require and in such amounts and for such periods as Lender may require; provided, that Lender shall not require that the amount of such coverage exceed that amount of coverage required to pay the sums secured by this DEED of TRUST plus any amounts secured by prior liens or encumbrances on the property. In the event that Borrower fails to pay the premiums to maintain the coverages herein, Lender shall have the right, but not obligation, to pay such premiums or to purchase insurance coverage sufficient to protect the Lender's interest in the property.

The insurance carrier providing the insurance shall be chosen by Borrower subject to approval by Lender; provided, that such approval shall not be unreasonably withheld. All premiums of insurance policies shall be paid by Borrower making payment, when due, directly to the insurance carrier.

All insurance policies and renewals thereof shall be in form acceptable to Lender and shall include a standard mortgage clause in favor of and in form acceptable to Lender. Lender shall have the right to hold the policies and renewals thereof, and Borrower shall promptly furnish Lender all renewal notices and all receipts of paid premiums. In the event of loss, Borrower shall give prompt notice to the insurance carrier and Lender. Lender may make proof of loss if not made promptly by Borrower.

Unless Lender and Borrower otherwise agree in writing, insurance proceeds shall be applied to restoration or repair of the Property damaged, provided such restoration or repair is economically feasible and the security of this DEED of TRUST is not thereby impaired. If such restoration or repair is not economically feasible or if the security of this DEED of TRUST would be impaired, the insurance proceeds shall be applied first, to the sums secured by this DEED of TRUST, with the excess, if any, paid to Borrower. If the Property is abandoned by Borrower, or if Borrower fails to respond to Lender within 30 days from the date notice is mailed by Lender to Borrower that the insurance carrier offers to settle a claim for insurance benefits, Lender is authorized to collect and apply the insurance proceeds at Lender's option either to restoration or repair of the Property or to the sums secured by this DEED of TRUST.

Unless Lender and Borrower otherwise agree in writing, any such application of proceeds to principal shall not extend or postpone the due date of any payment(s) referred to in Paragraph 1 (hereinabove "**Payment of Principal and Interest**") or change the amount of such payment. If under Paragraph 10 hereof the Property is acquired by Lender, all right, title and interest of Borrower in and to any insurance policies and in the proceeds thereof resulting from damage to the Property prior to the sale or acquisition shall pass to Lender to the extent of the sums secured by this DEED of TRUST immediately prior to such sale or acquisition.

4. Preservation and Maintenance of Property. Borrower shall keep the Property in good repair and shall not commit waste or permit impairment or deterioration of the Property and shall comply with the provisions of any lease if this DEED of TRUST is on a Leasehold. Lender may make or cause to be made reasonable entries upon and inspections of the Property.

5. Protection of Lender's Security. If Borrower fails to perform the covenants and agreements contained in this DEED of TRUST, or if any action or proceeding is commenced which materially affects Lender's interest in the Property, including, but not limited to, eminent domain, insolvency, code enforcement, or arrangements or proceedings involving a bankrupt or decedent, then Lender at Lender's option, upon notice to Borrower, may make such appearances, disburse such sums and take such actions as is necessary to protect Lender's interest, including but not limited to disbursement of reasonable attorney's fees, payment of hazard insurance premiums, payment of taxes and entry upon the Property to make repairs.

Any amounts disbursed by Lender pursuant to this paragraph, with interest thereon, shall become additional indebtedness of Borrower secured by this DEED of TRUST. Unless Borrower and Lender agree to other terms of payment, such amounts shall be payable upon notice from Lender to Borrower requesting payment thereof, and shall bear interest from the day of disbursement at the maximum applicable lawful contract interest rate in effect from time to time, or, if different the rate specified in the Note. Nothing contained in this paragraph shall require Lender to incur any expense or take any action hereunder.

6. Condemnation. The proceeds of any award or claim of damages, direct or consequential, in connection with any condemnation or other taking of the Property or part thereof, or for conveyance in lieu of condemnation, are hereby assigned and shall be paid to Lender to the full extent of the indebtedness secured by this DEED of TRUST whether due or not.

Beginning at the Northeast Corner of Section 21 Township 1 South Range 7 West; Thence S 00 degrees 17' 25" E a distance of 4332.62 to a point in the center of Getwell Road; thence N 89 degrees 52' 41" W a distance of 1038.21 to the point of beginning; thence N 89 degrees 52' 41" W a distance of 547.79 to a point; thence N 00 degrees 08' 07" E a distance of 159.78 to a point; thence S 89 degrees 51' 53" E a distance of 3.50 to a point; thence N 00 degrees 08' 07" E a distance of 160.00 to a point; thence S 89 degrees 51' 53" E a distance of 52.05 to a point; thence N 00 degrees 08' 07" E a distance of 160.00 to a point; thence S 89 degrees 51' 53" E a distance of 40.98 to a point; thence N 00 degrees 08' 07" E a distance of 160.00 to a point; thence S 89 degrees 51' 53" E a distance of 252.40 to a point; thence S 03 degrees 21' 40" E a distance of 158.52 to a point; thence N 84 degrees 02' 43" E a distance of 43.08 to a point; thence S 05 degrees 57' 17" E a distance of 25.98 to a point; thence S 05 degrees 57' 17" E a distance of 141.31 to a point; thence S 89 degrees 51' 53" E a distance of 128.61 to a point; thence S 00 degrees 08' 07" W a distance of 319.66 to the Point of Beginning.

INDEXING INSTRUCTIONS: The preparer of this instrument is unable to ascertain the correct indexing instructions to this property. Please index in all quarter sections of Section 21, Township 1 South, Range 7 West, DeSoto County, Mississippi.

If the Property is abandoned by Borrower, or if, after notice by Lender to Borrower that the condemnor offers to make an award or settle a claim for damages, Borrower fails to respond to Lender within 30 days after the date such notice is mailed, Lender is authorized to collect and apply the proceeds at Lender's option, either to restoration or repair of the Property or to the sums secured by this DEED of TRUST.

Unless Lender and Borrower otherwise agree in writing, any such application of proceeds to principal shall not extend or postpone the due date of any payment(s) referred to in Paragraph 1 (hereinafter "**Payment of Principal and Interest**") or change the amount of such payment.

7. Forbearance By Lender Not A Waiver. Any forbearance by Lender in exercising any right or remedy hereunder or otherwise afforded by applicable law, shall not be a waiver or preclude the exercise of any right or remedy. The procurement of or the payment of taxes or other liens or charges by Lender shall not be a waiver of Lender's right to accelerate the maturity of the indebtedness secured by this DEED of TRUST.

8. Remedies Cumulative. All remedies provided in this DEED of TRUST are distinct and cumulative to any other right or remedy under this DEED of TRUST or afforded by law or equity, and may be exercised concurrently, independently or successively. All notices required to be given shall be made in writing to the addresses shown herein and as to Borrower, at the last address shown in the books and records of Lender.

9. Transfer of The Property; Assumption. If all or any part of the Property or interest therein is sold or transferred by Borrower without Lender's prior written consent, excluding (A) the creation of a lien or encumbrance subordinate to this DEED of TRUST (B) the creation of a purchase money security interest for household appliances and (C) a transfer by devise, descent or authorization of law upon the death of a joint tenant or (D) the grant of any leasehold interest of 3 years or less not containing an option to purchase, Lender may, at Lender's option, declare all sums secured by this DEED of TRUST to be immediately due and payable. Lender shall have waived such option to accelerate if, prior to the sale or transfer, Lender and the person to whom the Property is to be sold or transferred reach agreement in writing that the credit of such person is satisfactory to Lender and that the interest payable on all the sums secured by this DEED of TRUST shall be at such rate as Lender shall request. If Lender has waived the option to accelerate provided in this paragraph and if Borrower's successor in interest has executed a written assumption agreement accepted in writing by Lender, Lender may release Borrower from all obligations under this DEED of TRUST and the Note.

If Lender exercises such option to accelerate, Lender shall mail Borrower notice of acceleration. Such notice shall provide a period of not less than 30 days from the date notice is mailed within which Borrower may pay the sums declared due. If Borrower fails to pay such sums prior to the expiration, Lender may, without further notice or demand on Borrower, invoke any remedies permitted by Paragraph 10 ("**Remedies**") hereof.

10. Remedies. If Borrower fails to pay said indebtedness or any part or installment thereof, promptly at maturity, or if, failing to pay taxes, keep up repairs, keep said premises insured, or perform said other obligations and agreements as provided herein, Borrower fails to reimburse the Trustee or lawful owner and holder of said indebtedness for all sums, with interest, so extended by said Trustee, or lawful owner or holder of said indebtedness, within 30 days from date of such payment, this trust conveyance shall remain in full force and effect, and at the option of the lawful owner or holder of said indebtedness or part or installments thereof then past due and unpaid, all remaining unpaid indebtedness shall become due and payable at once, without notice, and the said Trustee, or his successor in trust, is hereby authorized and empowered, upon giving 21 days notice by three weekly publications in any newspaper, daily or weekly, published in the county where the property is located, to sell said Property at the front door of the courthouse in said county, or at the Property location at the election of the Beneficiary, to the highest bidder for cash, at public outcry; and the said Trustee or his successor in trust, is authorized and empowered to execute and deliver a Deed to the purchaser. Lender or Lender's designee may bid at any sale under this trust conveyance. Trustee shall apply the proceeds of this sale in the following order:

- (a) to all reasonable costs and expenses of the sale, including but not limited to, reasonable trustee's and attorneys' fees and costs of title evidence;
- (b) to all sums secured by this DEED of TRUST;
- (c) the excess, if any, to the person or persons legally entitled thereto.

Lender, at Lender's option, may from time to time remove Trustee and appoint Successor Trustee to any Trustee appointed hereunder by instrument recorded in the county in which this DEED of TRUST is recorded. Without conveyance of the Property, the Successor Trustee shall succeed to all the title, power and duties conferred upon Trustee herein and by applicable law.

The foreclosure sale may be adjourned from time to time by Trustee, or his agent or successors, at the place of sale on the date the sale is originally set, or on the date of any adjournment thereof, and may be reset at a later date or dates by announcement without any additional publication.

The Property or any part thereof may be sold in one parcel, or divided and sold in such parcels, manner or order as Beneficiary in its sole and absolute discretion may elect, and one or more exercises of the power herein granted shall not extinguish or exhaust the power unless the entire Property is sold or the indebtedness paid in full.

In the event of a sale of said Property under and by virtue of this trust, the Borrowers and all persons holding under them shall be and become tenants at will of the purchaser from and after the execution and delivery of

the Deed to such purchaser, said tenancy to be determined at the option of said purchaser upon 5 days written notice. In addition to the power of sale described above, Trustee or Lender shall have the right to proceed in a court of equity to foreclose this DEED of TRUST.

11. Future Advances. All other money heretofore or hereafter advanced by Lender at its option to or for the account of Borrower, and all other present or future direct or contingent liabilities and indebtedness of the Borrower to Lender of any nature whatsoever and any extensions or renewals thereof shall be secured by this DEED of TRUST, except that the advances, liabilities and indebtednesses secured by this paragraph shall not include any debt subject to the disclosure requirements of the Federal Truth-in-Lending Act if at the time such debt is created any legally required disclosure of this security interest respecting such debt shall not have been made.

12. Release. Upon payment of all sums secured by this DEED of TRUST, Lender shall release this DEED of TRUST without charge to Borrower.

13. Assignment of Rents, Appointment of Receiver; Lender in Possession. As additional security hereunder, Borrower hereby assigns to Lender the rents of the Property, provided that Borrower shall prior to acceleration or abandonment of the Property, have the right to collect and retain such rents as they become due and payable. Upon acceleration or abandonment of the Property, Lender in person, by agent, or by judicially approved receiver, shall be entitled to enter upon, take possession of and manage the Property and to collect the rents of the Property including those past due. All rents collected by the Lender or the receiver shall be applied first to receiver's fees, premiums on receiver's bonds and reasonable attorney's fees, and then to the sums secured by this DEED of TRUST. Lender and the receiver shall be liable to account only for those rents actually received.

14. Waiver of Homestead, Dower, Courtesy, and Redemption. Borrower waives all right of homestead exemption in and equitable and statutory redemption of the Property and Borrower hereby relinquishes all right of dower and courtesy in the Property, and all other rights or exemptions of every kind.

15. Successors and Assigns Bound. The covenants herein contained shall bind, and the benefits and advantages inure to, the respective heirs, executors, administrators, successors and assigns of the parties hereto. Whenever used, the singular shall include the plural, the plural the singular, and the use of any gender shall be applicable to all genders. All covenants of Borrower shall be joint and several. In the event any provision of this DEED of TRUST or the instruments secured hereby conflicts with applicable law, such conflict shall not affect the other provisions which can be given effect without the conflicting provision, and to this end said provisions are declared to be severable. The captions and headings of the paragraphs of this DEED of TRUST are for convenience only and are not to be used to interpret or define provisions hereof.

16. Other Indebtedness. This DEED of TRUST shall also secure any and all other indebtedness (including, without limitation, antecedent debt) of Borrower due to Lender with interest thereon as specified, or of any one of the Borrowers should there be more than one, whether direct or contingent, primary or secondary, sole, joint or several, now existing or hereafter arising at any time before cancellation, release or expiration of this DEED of TRUST and regardless of whether any of the indebtedness is of the same nature or type as that described herein. Such indebtedness may be evidenced by note, open account, overdraft, endorsement, guaranty or otherwise.

IN WITNESS WHEREOF, Borrower has executed this DEED OF TRUST.

ROY R HOLMES CONSTRUCTION CO., INC.

BY: ROY R. HOLMES, PRESIDENT

State of ~~Tennessee~~

Mississippi

County of

De Soto

On this

29th

day of

October, 2002

, before me personally appeared Roy R Holmes to me known to be the person(s) described in and who executed the foregoing instrument, and who acknowledged the execution of the foregoing instrument for the purposes therein contained.

Witness my hand and official seal in said state and county, this the 29th day of October, 2002.

NOTARY PUBLIC

My commission expires:

NOTARY
PUBLIC



ERIE L. SAPPENFIELD, ATTORNEY
6858 SWINNEA RD.
5 RUTLAND PLACE
SOUTHAVEN, MS 38671

7563.4